

News Release



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Trustee To Restore Assets to Ohio Glass Company 401(K) Plan Under Judgment Obtained by Labor Department

CINCINNATI – The trustee of the 401(k) plan of Lancaster, Ohio-based Glass Service Company, Inc., (GSC) was ordered to pay \$28,451.94, including interest, to the plan under a consent judgment obtained by the U. S. Department of Labor on August 19, 2003.

Defendant trustee Kevin W. Collis agreed to offset his account balance, which will be reallocated to the accounts of all plan participants and beneficiaries, except Collis. In addition, Collis will make scheduled payments under the court order to repay the full amount owed to the plan and then will terminate the plan.

The department sued Collis on March 17 in federal district court in Columbus, Ohio, for failing to forward employee contributions and loan repayments to the plan and retaining the contributions with the general assets of the company. The department simultaneously filed an adversary complaint in federal bankruptcy court seeking to prevent Collis from discharging any debt owed to the plan in bankruptcy proceedings.

The department alleged that at various times over the period from Jan. 1, 2000, to April 2002, GSC failed to remit or timely forward to the plan contributions withheld from employees' wage. The company also failed to forward to the 401(k) plan loan repayments withheld from employee paychecks from Jan. 1, 2001, through March 31, 2002.

Glass Service Company, Inc., a wholesale and retail window glass products sales and service firm, lost its corporate status with the State of Ohio in December 2002. Collis filed for Chapter 7 bankruptcy on Dec. 11, 2002. The plan had 26 participants and assets totaling \$113,000.

Joseph Menez, director of the department's Cincinnati regional office of the Employee Benefits Security Administration (EBSA), said, "We acted to protect the employees' contributions to the plan to ensure the money is available to pay promised retirement benefits in the future."

Employers with similar problems, who are not yet the subject of an investigation by EBSA, may be eligible to participate in the department's Voluntary Fiduciary Correction Program (VFCP). Participation in the VFCP requires employers to make workers whole but allows them to avoid EBSA enforcement actions, civil penalties and any applicable excise taxes. For more information see www.dol.gov/ebsa.

Employers and workers can contact the Cincinnati Regional Office at (859) 578-4680 or EBSA's toll free number, 1-866-444-EBSA (3272), for help with any problems relating to private-sector pension and health plans.

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(Chao v. Collis)
Civil Action No. C2 03 2333
Bankruptcy Action 03-02122

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